

December
2018



Analyst Day

December 13, 2018
Conrad Istanbul Bosphorus



DISCLAIMER STATEMENT Turcas Petrol A.Ş. ("Turcas") has prepared this presentation document (the "Document") consisting of documents thereto for the sole purposes of providing information and projections and statements relating to Turcas (the "Information"). Turcas cannot guarantee the accuracy, adequacy, or completeness of such information, and cannot be responsible for the results. The Information is subject to change without any notice. Neither the Document nor the Information can construe any investment advice, or an offer to buy or sell Turcas shares. This Document and/or the Information cannot be copied, disclosed or distributed to any person other than the person to whom the Document and/or Information delivered or sent by Turcas or who required a copy of the same from the Turcas. Any and all information contained in this document are strictly confidential.

Table of Contents

1. Turcas at a Glance
2. Vision & Strategic Targets
3. Recent Developments
4. Future Prospects
5. Financial Overview

Turcas at a Glance

Turcas

- Oil & Energy focused **Investment Company**
- Extensive **industrial know-how** in Turkish Energy Business
- Active in **Fuel Distribution-Lubricants** and **Power Generation**
- Carved-in **Business Partnership culture**
- Targeting to **Further Diversify** its portfolio

Corporate Profile

- 54% owned by Aksoy Holding and traded on Borsa Istanbul since 1992
- A history full of strong partnerships with global major players
- Corporate Governance Rating: 9.57 out of 10
- Ranked #1 among energy companies listed in BIST Corporate Governance Index

Existing Operations

Joint Venture with



Holding 30% shares of
Shell & Turcas JV
since 2006

Joint Venture with



Holding 30% shares of
RWE & Turcas JV
since 2009



Holding 100% shares of
Turcas Kuyucak Geothermal
COD: Jan'18

Joint Venture with



Holding 13.1%⁽¹⁾ shares of
ATAŞ Oil Terminal
since 1970

Market Position

- **Shell & Turcas:** Market leader in Gasoline & Lubricant sales, #1 in Throughput Ratio;
- **RWE & Turcas:** Owner and operator of 800 MW Denizli CCPP;
- **Turcas Kuyucak Geothermal:** 18 MW Geothermal Power Plant; Operational since Jan'18
- **ATAŞ:** 3rd largest Oil Terminal in Turkey with a total capacity of 570K m3;



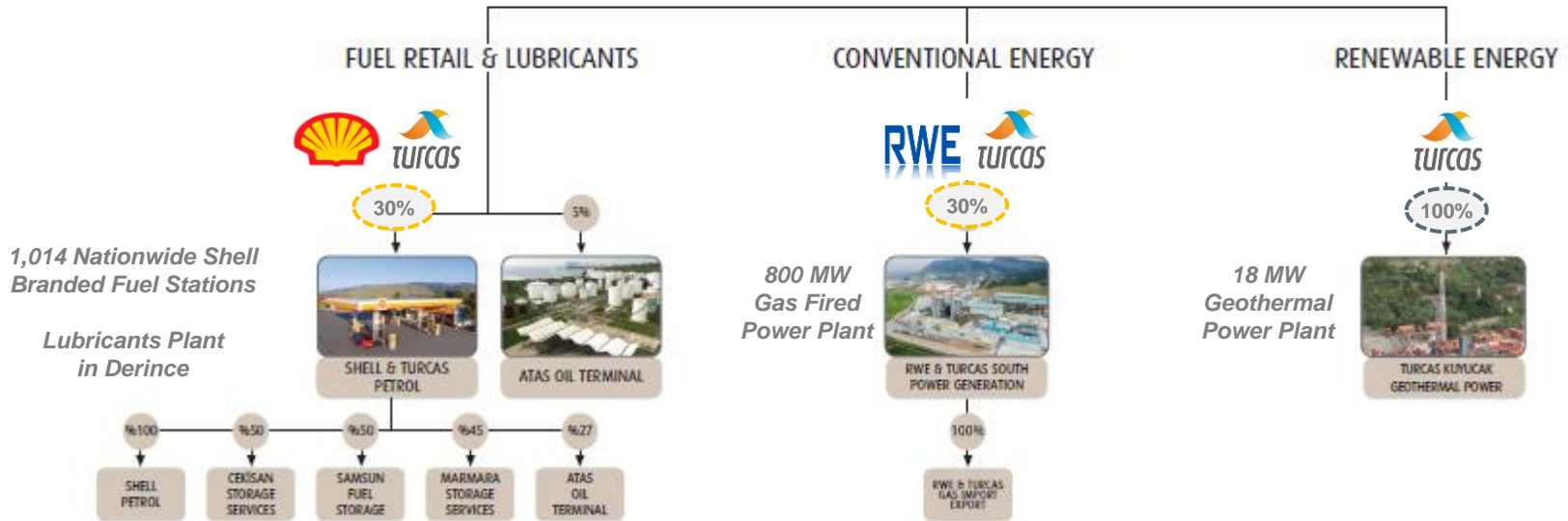
(1) Includes Turcas' indirect ownership through Shell&Turcas



Turcas Group Structure



Bloomberg Ticker: TRCAS.TI
Reuters Ticker: TRCAS.IS
Free Float: 28%



* ATAS appears twice on the Group Structure due to both direct and indirect shareholdings which in total make Turcas ownership at ATAS 13.1%.

** Turcas Petrol also owns 100% of a power trading / wholesale company (Turcas Power Trading) that doesn't appear on the Group Structure due to inactivity



Equity Pick Up Consolidation under IFRS



Full Consolidation under IFRS

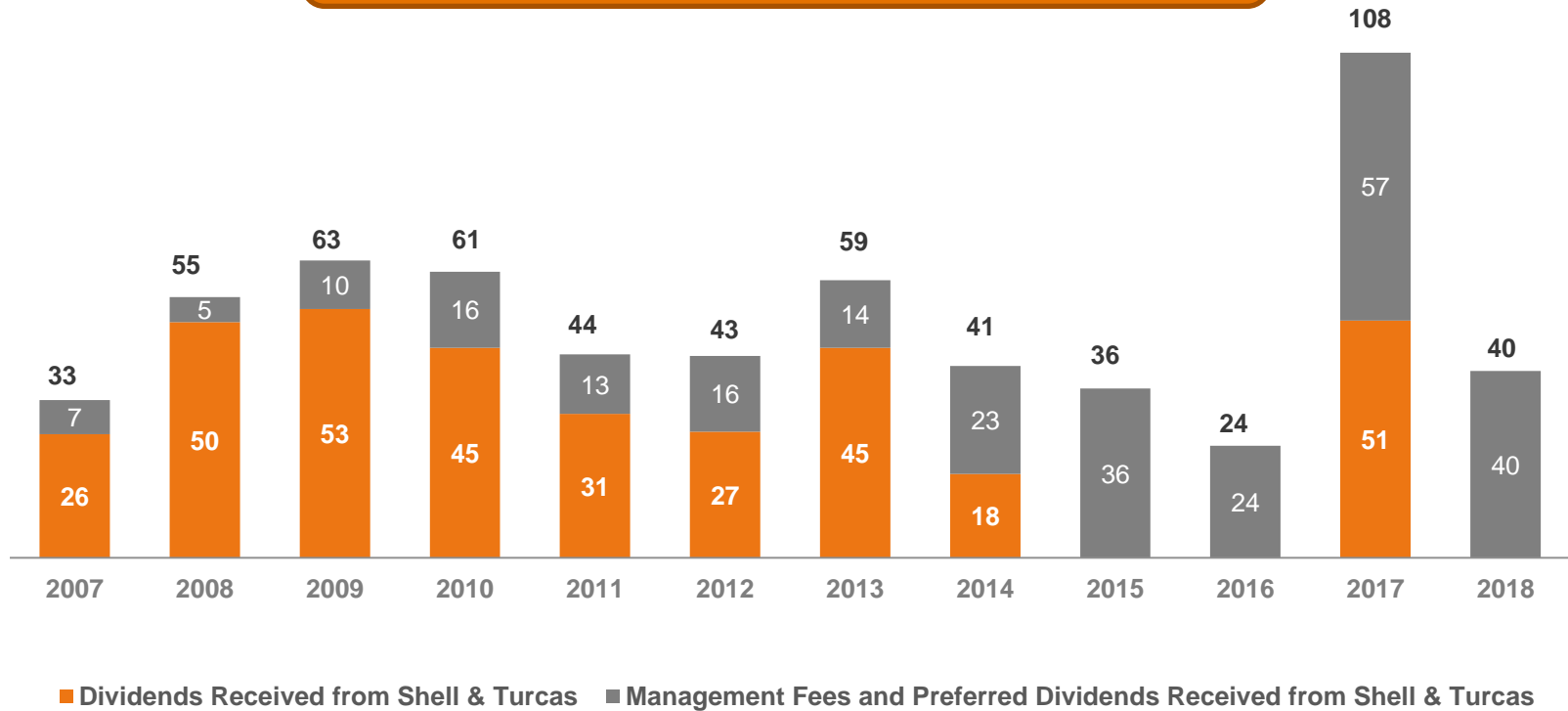


Continuous cash inflow from subsidiaries

Dividends & Management Fees & Preferred Dividends Received from Shell & Turcas

MM TL

600 MM TL (corresponding to 311 MM USD ¹) received from Shell & Turcas JV since 2007



(1) Calculated via utilization of historical USD/TL rate for each cash inflow

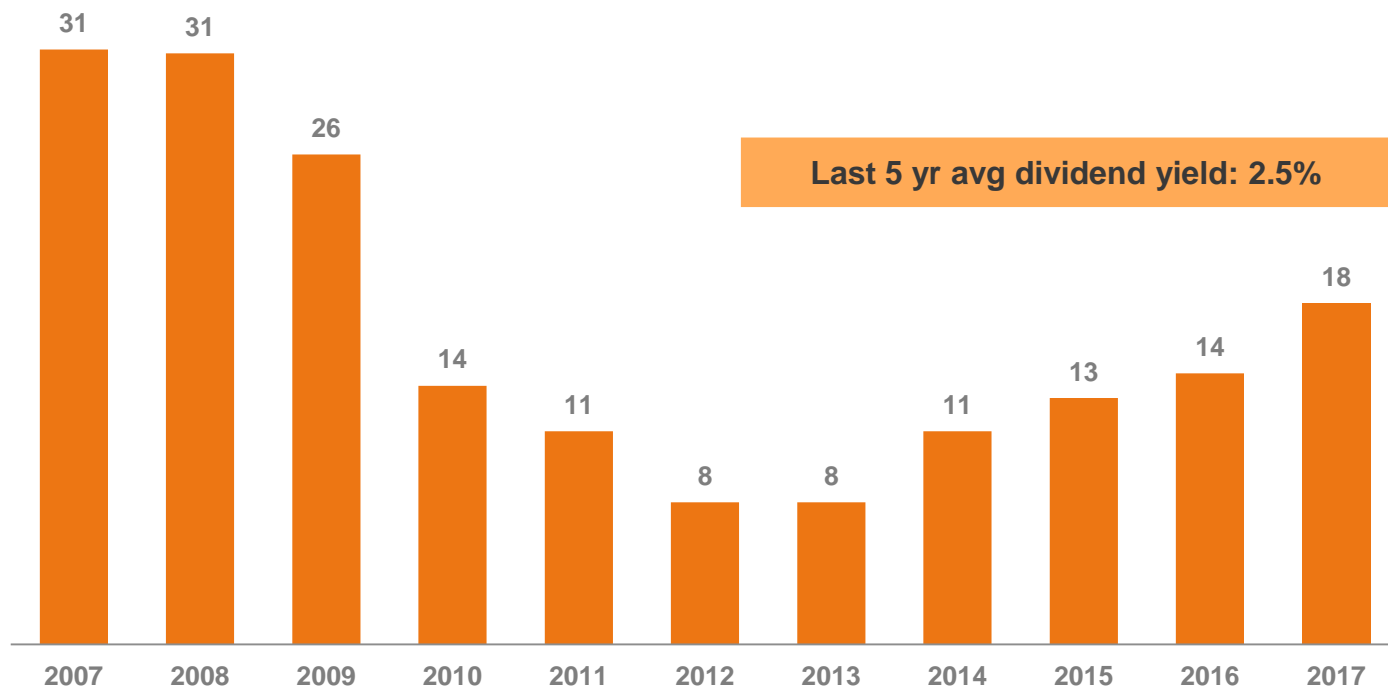


Continuous dividend flow to investors

Dividends Paid by Turcas

MM TL

185 MM TL (corresponding to 109 MM USD ¹)
dividends distributed to investors since 2007



2018:
Cancellation of
buy back
shares
resulting in
increased
ownership
ratio (capital
gain) for
investors.



(1) Calculated via utilization of historical USD/TL rate for each dividend payment



Table of Contents

1. Turcas at a Glance
- 2. Vision & Strategic Targets**
3. Recent Developments
4. Future Prospects
5. Financial Overview
6. Key Investment Highlights

Vision & Strategic Targets

Turcas' Vision

*Turcas' vision is to **meet Turkey's growing energy demand** by **expanding its diversified portfolio** through use of its industrial know-how, local knowledge, international partnerships and opportunities in nearby markets, hence maximizing stakeholder value.*

Turcas Strategic Targets by Business Lines

Turcas

- Continuation of group structure simplification to enable optimization of resources and effective management;
- Further diversification of investment portfolio (especially via renewables and innovative energy technologies).

Fuel Distribution & Lubricants Business

- Maintaining growth in Volume, Profitability and strong Market Position;
- Maximizing Dividends;
- Minimizing the operating costs at ATAŞ (Oil Terminal) and transforming it into a more profitable entity;

Power Generation Business

- Setting up a Diversified & Sustainable Power Generation Portfolio which satisfies the return expectations of investors;
- Maximizing returns through a balanced generation portfolio possessing low levelized cost of energy and reduced emissions hence benefiting from feed in tariff (FIT) mechanism;
- Monitoring international opportunities for regional diversification

Table of Contents

1. Turcas at a Glance
2. Vision & Strategic Targets
- 3. Recent Developments**
4. Future Prospects
5. Financial Overview
6. Key Investment Highlights

Recent Developments

Cancellation of buy back shares:

- As might be recalled, Turcas used to be the holder of its own 14,471,335.91 shares as treasury stock with a nominal value of TL 14,471,335.91 corresponding to 5.36% of the paid-in capital.
- In Jul'18, **Turcas cancelled TL 14,400,000.00 of the buy back shares and decreased the paid-in capital from TL 270,000,000 to TL 255,600,000, with an aim to:**
 - **mitigate the uncertainty** about how the buy-back shares will be treated in the future;
 - **Continue the sustained dividend payment legacy** by redeeming the buy back shares (creating capital gain for investors via increased shareholding ratio)

Share Acquisition at Turcas Kuyucak Geothermal (TKG) Power Plant

- Turcas has recently acquired Alte Enerji's 8% shares at TKG for 1,500,000 USD (1,140,000 USD paid in cash and remaining 360.000 USD to be paid in 31.12.2019)
- In line with our strategy to focus on renewable energy investments, our stake in TKG has increased to 100% from 92%.

Table of Contents

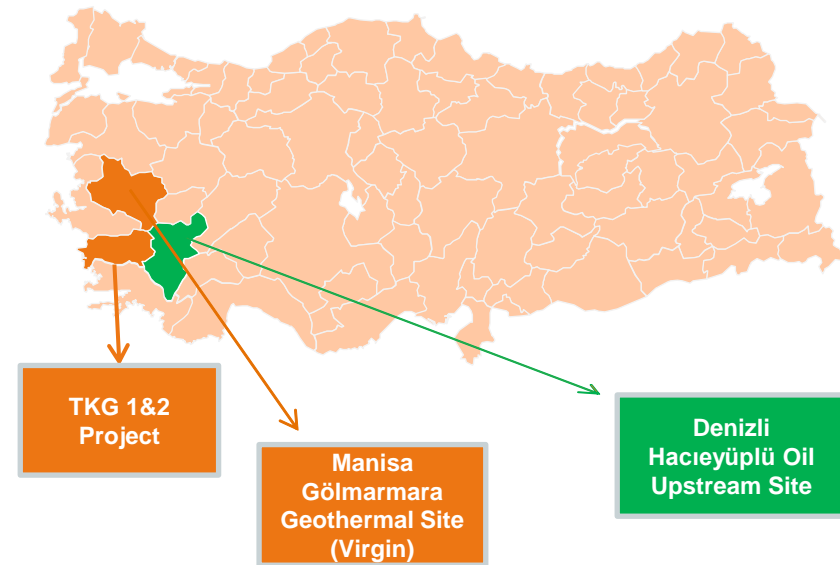
1. Turcas at a Glance
2. Vision & Strategic Targets
3. Recent Developments
- 4. Future Prospects**
5. Financial Overview
6. Key Investment Highlights

Focus on new investments providing further diversification opportunities

Geothermal Energy

Turcas plans to grow in geothermal energy with the following projects:

- 1. Existing TKG Plant (TKG-1):** We successfully drilled an additional re-injection well (3rd one) and a successful additional production well (7th one) with the goal of maximizing the generation capacity and thus the EBITDA at this existing plant.
- 2. Potential New Plant (TKG-2) at our Existing TKG Concession Zone:** Our ultimate goal is to increase our installed base or add new modular plants taking advantage of the attractive Feed-In Tariff and the sustainable production capacity of our concession area, however, before proceeding with new drillings and further investment, we will wait for the official announcement of the Ministry of Energy and Natural Resources related to the details of the Feed-In Tariff Mechanism to be applied to Geothermal investments for the period after 2020.
- 3. Manisa Concession Zone:** Turcas is developing another geothermal energy project on a 4,958.68 hectares concession zone in Manisa Gölü in Western Turkey. We drilled an exploratory well in Q2 2018 and obtained operation license for 30 years, however, before proceeding with new drillings and further investment, we will wait for the official announcement of the Ministry of Energy and Natural Resources related to the details of the Feed-In Tariff Mechanism to be applied to Geothermal investments for the period after 2020.



Oil Upstream (Denizli)

- Our 2,600m deep geothermal well (drilled 1Q-2017) in Denizli Hacıyüplü did not yield enough thermal heat for power generation but encountered oil findings around 700 to 900 meters depth, we plan to drill a new (shallow) well here for oil exploration in 2019 following Seismic and other detailed studies. We obtained the required Oil Exploration License from the Government Authorities on 02.05.2018.

Others



- Turcas may evaluate opportunistic wind, solar and hydro based energy generation projects outside Turkey in regions where the hard currency FX-based Feed-In-Tariffs are attractive.



Table of Contents

1. Turcas at a Glance
2. Vision & Strategic Targets
3. Recent Developments
4. Future Prospects
- 5. Financial Overview**
6. Key Investment Highlights

Business Lines by numbers (as of 9M18)

Fuel Distribution & Lubricants



Shell & Turcas JV



>1 million
daily
visitors via
1,010
fuel stations



791
MM TL
EBITDA



186
MM TL
Net
Income

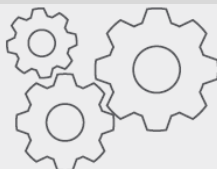
Power Generation



RWE & Turcas JV



2.07 billion
kWh
Generation



611
MM TL
Net Sales



14
MM TL
EBITDA



60 million
kWh
Generation



11.8
USc/kwh
Feed -In
Tariff



23
MM TL
EBITDA



Kuyucak
Geothermal



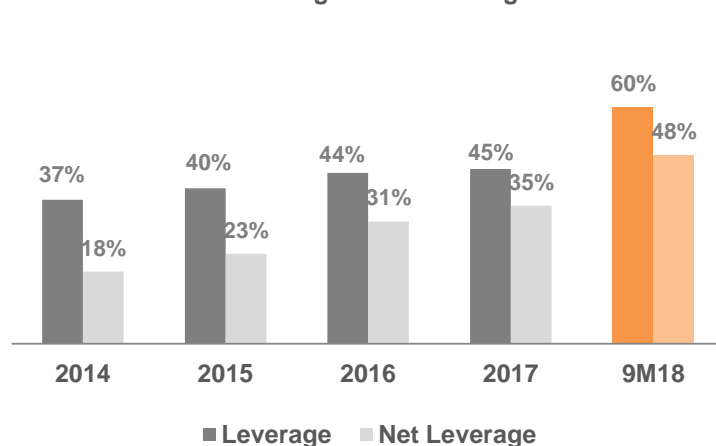
Turcas Financial Overview

IFRS Consolidated Financial Statements & Financing Ratios

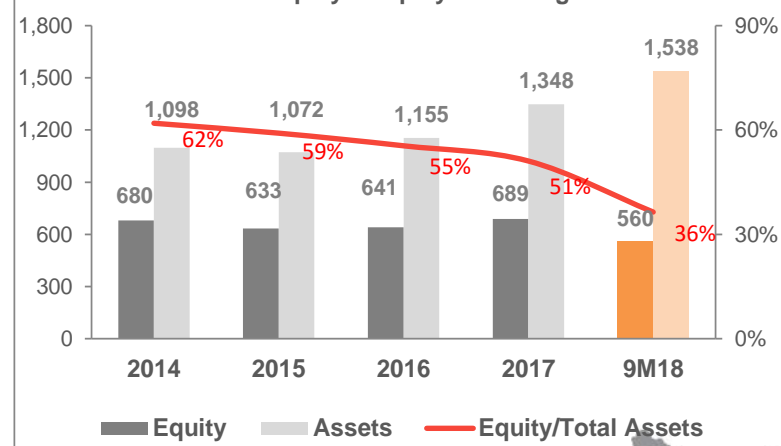
Balance Sheet , million TL	2017	9M18	Ytd
Cash & Cash Equivalents	126	183	45%
S -T Rec. From Rel.Parties (mostly from RTG)	19	22	13%
L -T Rec. From Rel.Parties (mostly from RTG)	61	61	0%
Associates (STAS & RTG)	793	881	11%
Fixed Assets (TKJ Capex Investments)	251	269	8%
Financial Assets (FMV of Usufruct Certificates)	78	81	4%
Total Assets	1,348	1,538	14%
S - T Financial Liabilities (PF Loans for RTG & TKG)	91	157	74%
L - T Financial Liabilities (PF Loans for RTG & TKG)	510	772	51%
Equity	689	560	-19%
Total Liabilities & Equity	1,348	1,538	14%
Net Debt	474	740	56%

Income Statement, million TL	9M17	9M18	YY
Revenues (Electricity Sales)	0	33	n.a
Other Operational Income (Net)	2	-1	n.a
Operating Expenses	19	18	-7%
Operating Profit	-17	5	n.a
Income from Investments	0	42	n.a.
Income from Subsidiaries	85	38	-55%
Shell & Turcas	85	56	-34%
RWE & Turcas	0	-18	n.a.
Earnings Before Financing & Tax	68	85	24%
Net Financial Losses	-46	-287	526%
FX Losses	-46	-279	507%
Net Income Before Tax	22	-202	n.a.
Tax	2	18	964%
Net Income/Loss	24	-184	n.a.

Leverage & Net Leverage

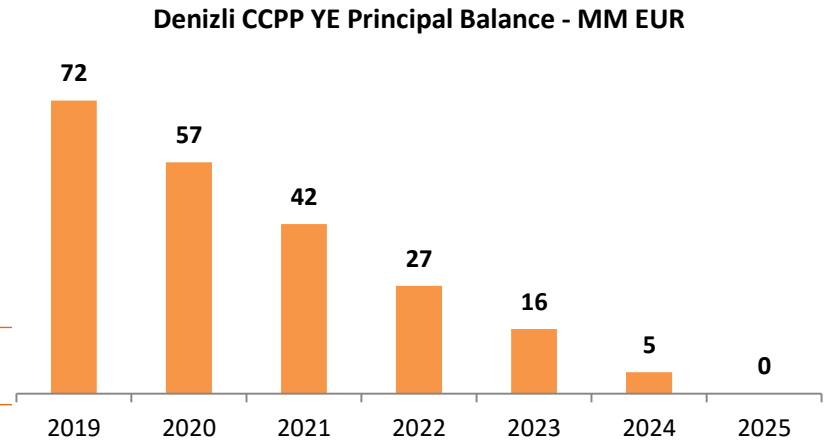


Equity & Equity Financing

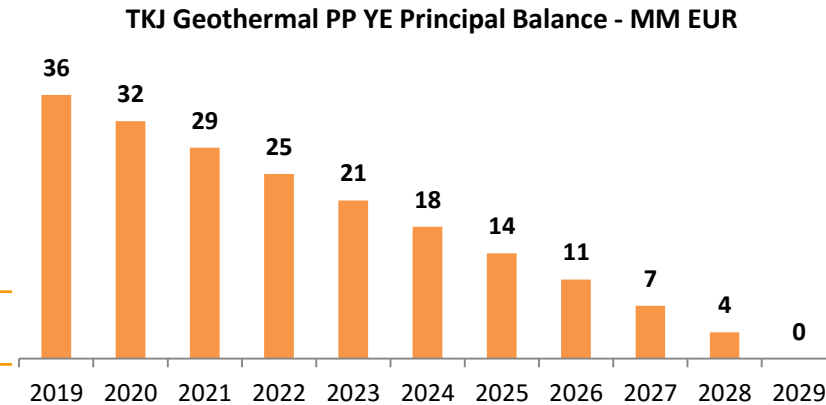


Competitive Edge: long term & low cost borrowing

Nature of Debt	Lender(s)	Rate	Currency	2018 YE Loan Balance	Final Maturity
Denizli CCPP Project Finance Loan	Bayern LB EAA (ECA Covered)	EURIBOR + 1.65%	EUR	70 MM	2025
	TSKB	LIBOR + 3.40%	USD	21 MM	2022
TOTAL (Denizli)			EUR	88 MM	



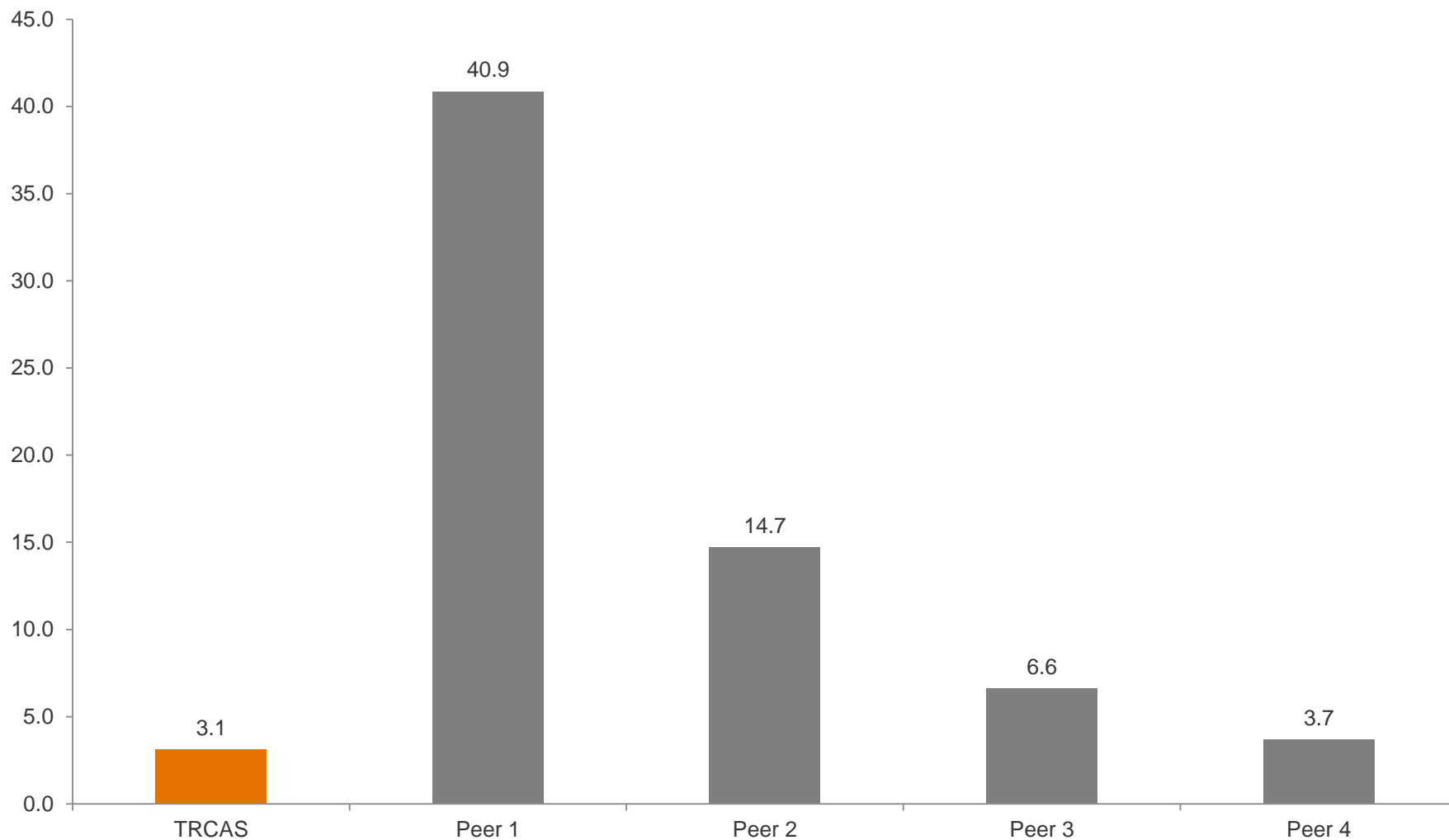
Turcas Kuyucak Geothermal PP Project Finance Loan	TSKB	6M LIBOR + 4.75%	USD	30 MM	2029
	TSKB	4.75%	EUR	13 MM	2029
TOTAL (Geothermal)			EUR	40 MM	



GRAND TOTAL EUR **128 MM**

Relatively low leverage among peers...

Net Debt / EBITDA (Annualized over 3Q 2018 Results)



Note: Turcas EBITDA in this graph includes proportional EBITDA's of Subsidiaries (Shell & Turcas, RWE & Turcas and TKG).
Net Debt includes proportional net debt of each Subsidiary.





Thank you!

Contact Information

Pinar SAATCIOĞLU

Head of Investor Relations

E-mail: pinar.ceritoglu@turcas.com.tr

Phone: +90 212 259 00 00 / Ext: 1282

